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Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

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Division Director

Iron Co.
Gen Corr

December 21, 2010

Ray Montgomery
14850 South Concord Park Dr.
Bluffdale UT 84065

Subject: Proposed Desert Mound Mining Operation, Iron County, Utah.

Dear Mr. Montgomery:

I enjoyed talking with you regarding your proposed iron mine in the Desert Mound area west of Cedar City, Utah. I have emailed a copy of the Division's Large Mining Operations Notice of Intent (NOI) for you to use to make application for a mining permit for this proposal.

Upon receipt of the NOI, along with the appropriate permit fee (\$500 for mining operations between 5 and 50 acres, and \$1000 for mining operations greater than 50 acres), the Division will process the NOI, and assuming that it is complete and accurate, will issue a notice of tentative approval and publish a notice in the Salt Lake area and Cedar City newspapers of its intent to approve the mining permit. This will open a 30-day public comment period for the public to review and file comments of substance regarding the decision to approve. During the comment period, the reclamation surety amount will be finalized, and at the end of the comment period, assuming no adverse comments and your submitting an adequate reclamation surety, the Division will issue final approval of your mining operations.

Should you have questions as you prepare the NOI, please don't hesitate to give me a call. Questions that I cannot address directly will be referred to the appropriate specialist in our office. Please submit the NOI and any correspondence regarding your operation through Paul B. Baker, Minerals Program Manager.

Look forward to receiving your NOI,

Lynn Kunzler

Senior Reclamation Specialist

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cc: Paul Baker, DOGM
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